

the potential fuel savings resulting from long duration idling of main drive engines in heavy-duty vehicles.

“(b) REGULATIONS.— Upon completion of the study under subsection (a), the Secretary may issue regulations requiring the installation of idling reduction systems on all newly manufactured heavy duty vehicles.

“(c) DEFINITIONS.— As used in this section:

“(1) The term ‘heavy-duty vehicle’ means a vehicle that has a gross vehicle weight rating greater than 8,500 pounds and is powered by a diesel engine.

“(2) The term ‘idling reduction system’ means a device or system of devices used to reduce long duration idling of a diesel engine in a vehicle.

“(3) The term ‘long duration idling’ means the operation of a main drive engine of a heavy-duty vehicle for a period of more than 15 consecutive minutes when the main drive engine is not engaged in gear, except that such term does not include idling as a result of traffic congestion or other impediments to the movement of a heavy-duty vehicle.

“(4) The term ‘vehicle’ has the meaning given such term in section 4 of title 1, United States Code.”.

TITLE IX – ENERGY EFFICIENCY AND ASSISTANCE TO LOW INCOME CONSUMERS

Subtitle A - Low Income Assistance
and State Energy Programs

**SEC. 901. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION ASSISTANCE,
AND STATE ENERGY GRANTS.**

ENERGY GRANTS.

(a) LIHEAP.— (1) Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: “There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), \$3,400,000,000 for each of fiscal years 2003 through 2005.”.

(2) Section 2602(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(e)) is amended by striking “\$600,000,000” and inserting “\$1,000,000,000”.

(3) Section 2609A(a) of the Low-Income Energy Assistance Act of 1981 (42 U.S.C. 8628a(a)) is amended by striking “not more than \$300,000” and inserting: “not more than \$750,000”.

(b) WEATHERIZATION ASSISTANCE.— Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking “for fiscal years 1999 through 2003 such sums as may be necessary.” and inserting: “\$325,000,000 for fiscal year 2003, \$400,000,000 for fiscal year 2004, and \$500,000,000 for fiscal year 2005.”.

SEC. 902. STATE ENERGY PROGRAMS.

1 (a) STATE ENERGY CONSERVATION PLANS.— Section 362 of the Energy Policy and
2 Conservation Act (42 U.S.C. 6322)) is amended by adding at the end the following:

3 “(g) The Secretary shall, at least once every three years, invite the Governor of each State
4 to review and, if necessary, revise the energy conservation plan of the State submitted under
5 subsection (b) or (e). Such reviews should consider the energy conservation plans of other States
6 within the region, and identify opportunities and actions that may be carried out in pursuit of
7 common energy conservation goals.”.

8 (b) STATE ENERGY CONSERVATION GOALS.— Section 364 of the Energy Policy and
9 Conservation Act (42 U.S.C. 6324) is amended to read as follows:

10 “SEC. 364. Each State energy conservation plan with respect to which assistance is made
11 available under this part on or after the date of enactment of the Energy Policy Act of 2002 shall
12 contain a goal, consisting of an improvement of 25 percent or more in the efficiency of use of
13 energy in the State concerned in calendar year 2010 as compared to calendar year 1990, and may
14 contain interim goals.”.

15 (c) STATE ENERGY CONSERVATION GRANTS.— Section 365(f) of the Energy
16 Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking “for fiscal years 1999
17 through 2003 such sums as may be necessary.” and inserting: “\$100,000,000 for each of fiscal
18 years 2003 and 2004; \$125,000,000 for fiscal year 2005; and such sums as may be necessary for
19 each fiscal year thereafter.”.

20 **SEC. 903. ENERGY EFFICIENT SCHOOLS.**

1 (a) ESTABLISHMENT.— There is established in the Department of Energy the High
2 Performance Schools Program (in this section referred to as the “Program”).

3 (b) GRANTS.— The Secretary of Energy may make grants to a State energy office—

4 (1) to assist school districts in the State to improve the energy efficiency of school
5 buildings;

6 (2) to administer the Program; and

7 (3) to promote participation in the Program.

8 (c) GRANTS TO ASSIST SCHOOL DISTRICTS.— The Secretary shall condition grants
9 under subsection (b)(1) on the State energy office using the grants to assist school districts that
10 have demonstrated—

11 (1) a need for the grants to build additional school buildings to meet increasing
12 elementary or secondary enrollments or to renovate existing school buildings; and

13 (2) a commitment to use the grant funds to develop high performance school
14 buildings in accordance with a plan that the State energy office, in consultation with the
15 State educational agency, has determined is feasible and appropriate to achieve the
16 purposes for which the grant is made.

17 (d) GRANTS FOR ADMINISTRATION.— Grants under subsection (b)(2) shall be used
18 to—

19 (1) evaluate compliance by school districts with requirements of this section;

(2) distribute information and materials to clearly define and promote the development of high performance school buildings for both new and existing facilities;

(3) organize and conduct programs for school board members, school personnel, architects, engineers, and others to advance the concepts of high performance school buildings;

(4) obtain technical services and assistance in planning and designing high performance school buildings; or

(5) collect and monitor data and information pertaining to the high performance school building projects.

(e) GRANTS TO PROMOTE PARTICIPATION.— Grants under subsection (b)(3) shall be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy savings performance contracts, working with school administrations, students, and communities, and coordinating public benefit programs.

(f) SUPPLEMENTING GRANT FUNDS.— The State energy office shall encourage qualifying school districts to supplement funds awarded pursuant to this section with funds from other sources in the implementation of their plans.

(g) ALLOCATIONS.— Except as provided in subsection (h), funds appropriated to carry out this section shall be allocated as follows:

(1) 70 percent shall be used to make grants under subsection (b)(1);

(2) 15 percent shall be used to make grants under subsection (b)(2); and

(3) 15 percent shall be used to make grants under subsection (b)(3).

(h) OTHER FUNDS.— The Secretary of Energy may retain an amount, not to exceed \$300,000 per year, to assist State energy offices in coordinating and implementing the Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve high performance school buildings.

(i) AUTHORIZATION OF APPROPRIATIONS.— For grants under subsection (b) there are authorized to be appropriated—

- (1) \$200,000,000 for fiscal year 2003;
- (2) \$210,000,000 for fiscal year 2004;
- (3) \$220,000,000 for fiscal year 2005;
- (4) \$230,000,000 for fiscal year 2006; and
- (5) such sums as may be necessary for fiscal year 2007 and each fiscal year thereafter through fiscal year 2012.

(j) DEFINITIONS.— For purposes of this section:

(1) HIGH PERFORMANCE SCHOOL BUILDING.— The term “high performance school building” means a school building that, in its design, construction, operation, and maintenance—

(A) maximizes use of renewable energy and energy-efficient technologies and systems;

(B) is cost-effective on a life-cycle basis;

(C) achieves either—

(i) the applicable Energy Star building energy performance ratings,

or

(ii) energy consumption levels at least 30 percent below those of the

most recent version of ASHRAE Standard 90.1;

(D) uses affordable, environmentally preferable, and durable materials;

(E) enhances indoor environmental quality;

(F) protects and conserves water; and

(G) optimizes site potential.

(2) RENEWABLE ENERGY.— The term “renewable energy” means energy produced by solar, wind, biomass, ocean, geothermal, or hydroelectric power.

(3) SCHOOL.— The term “school” means—

(A) an “elementary school” as that term is defined in section 14101(14) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14)),

(B) a “secondary school” as that term is defined in section 14101(25) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(25)), or

(C) an elementary or secondary Indian school funded by the Bureau of Indian Affairs.

(4) STATE EDUCATIONAL AGENCY.— The term “State educational agency” has the same meaning given such term in section 14101(28) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(28)).

(5) STATE ENERGY OFFICE.— The term “State energy office” means the State agency responsible for developing State energy conservation plans under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322), or, if no such agency exists, a State agency designated by the Governor of the State.

SEC. 904. LOW INCOME COMMUNITY ENERGY EFFICIENCY PILOT PROGRAM.

(a) GRANTS.— The Secretary of Energy is authorized to make grants to private, non-profit community development organizations and Indian tribe economic development entities to improve energy efficiency, identify and develop alternative renewable and distributed energy supplies, and increase energy conservation in low income rural and urban communities.

(b) PURPOSE OF GRANTS.— The Secretary may make grants on a competitive basis to a community development organization for—

(1) investments that develop alternative renewable and distributed energy supplies;

(2) energy efficiency projects and energy conservation programs;

(3) studies and other activities that improve energy efficiency in low income rural and urban communities;

(4) planning and development assistance for increasing the energy efficiency of buildings and facilities; and

(5) technical and financial assistance to local government and private entities on developing new renewable and distributed sources of power or combined heat and power generation.

(c) DEFINITION.— For purposes of this section, the term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native Village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) AUTHORIZATION OF APPROPRIATIONS.— For the purposes of this section there are authorized to be appropriated to the Secretary of Energy an amount not to exceed \$10 million for fiscal year 2003 and each fiscal year thereafter through fiscal year 2005.

Subtitle B - Federal Energy Efficiency

SEC. 911. ENERGY MANAGEMENT REQUIREMENTS.

(a) ENERGY REDUCTION GOALS.— Section 543(a)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended to read as follows:

“(1) Subject to paragraph (2), each agency shall apply energy conservation measures to, and shall improve the design for the construction of, the Federal buildings of the agency (including each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in fiscal years 2002 through 2011 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in fiscal year 2000, by the percentage specified in the following table:

<u>Fiscal Year</u>	<u>Percentage reduction</u>
2002	2
2003	4
2004	6

1	2005	8
2	2006	10
3	2007	12
4	2008	14
5	2009	16
6	2010	18
7	2011	20

8

9 (b) REVIEW AND REVISION OF ENERGY PERFORMANCE REQUIREMENT.—

10 Section 543(a) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)) is further
 11 amended by adding at the end the following:

12 “(3) Not later than December 31, 2010, the Secretary shall review the results of the
 13 implementation of the energy performance requirement established under paragraph (1) and
 14 submit to Congress recommendations concerning energy performance requirements for calendar
 15 years 2012 through 2021.”.

16 (c) EXCLUSIONS.— Section 543(c)(1) of the National Energy Conservation Policy Act
 17 (42 U.S.C. 8253(c)(1)) is amended to read as follows:

18 “(1)(A) An agency may exclude, from the energy performance requirement for a calendar
 19 year established under subsection (a) and the energy management requirement established under
 20 subsection (b), any Federal building or collection of Federal buildings, if the head of the agency
 21 finds that—

22 “(i) compliance with those requirements would be impracticable;

23 “(ii) the agency has completed and submitted all federally required energy
 24 management reports;

1 “(iii) the agency has achieved compliance with the energy efficiency requirements
2 of this Act, the Energy Policy Act of 1992, Executives Orders, and other federal law; and

3 “(iv) the agency has implemented all practicable, life-cycle cost-effective projects
4 with respect to the Federal building or collection of Federal buildings to be excluded.

5 “(B) A finding of impracticability under subparagraph (A)(i) shall be based on—

6 “(i) the energy intensiveness of activities carried out in the Federal building or
7 collection of Federal buildings; or

8 “(ii) the fact that the Federal building or collection of Federal buildings is used in
9 the performance of a national security function.”.

10 (d) REVIEW BY SECRETARY.— Section 543(c)(2) of the National Energy Conservation
11 Policy Act (42 U.S.C. 8253(c)(2)) is amended—

12 (1) by striking “impracticability standards” and inserting “standards for
13 exclusion”; and

14 (2) by striking “a finding of impracticability” and inserting “the exclusion”.

15 (e) CRITERIA.— Section 543(c) of the National Energy Conservation Policy Act (42
16 U.S.C. 8253(c)) is further amended by adding at the end the following:

17 “(3) Not later than 180 days after the date of enactment of this paragraph, the
18 Secretary shall issue guidelines that establish criteria for exclusions under paragraph (1).”.

19 (f) REPORTS.— Section 548(b) of the National Energy Conservation Policy Act (42
20 U.S.C. 8258(b)) is amended—

(1) in the subsection heading, by inserting “THE PRESIDENT AND” before “CONGRESS”; and

(2) by inserting “President and” before “Congress”.

(g) CONFORMING AMENDMENT.— Section 550(d) of the National Energy Conservation Policy Act (42 U.S.C. 8258b(d)) is amended in the second sentence by striking “the 20 percent reduction goal established under section 543(a) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)).” and inserting “each of the energy reduction goals established under section 543(a).”.

SEC. 912. ENERGY USE MEASUREMENT AND ACCOUNTABILITY.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is further amended by adding at the end the following:

“(e) METERING OF ENERGY USE.—

“(1) DEADLINE.— By October 1, 2004, all Federal buildings shall be metered or submetered in accordance with guidelines established by the Secretary under paragraph (2).

“(2) GUIDELINES.—

“(A) IN GENERAL.— Not later than 180 days after the date of enactment of this subsection, the Secretary, in consultation with the Department of Defense, the General Service Administration and representatives from the metering industry, energy services industry, national laboratories, universities and federal facility energy managers, shall establish guidelines for agencies to carry out paragraph (1).

1 “(B) REQUIREMENTS FOR GUIDELINES.— The guidelines shall—

2 “(i) take into consideration—

3 “(I) the cost of metering and submetering and the reduced
4 cost of operation and maintenance expected to result from metering
5 and submetering;

6 “(II) the extent to which metering and submetering are
7 expected to result in increased potential for energy management,
8 increased potential for energy savings and energy efficiency
9 improvement, and cost and energy savings due to utility contract
10 aggregation; and

11 “(III) the measurement and verification protocols of the
12 Department of Energy;

13 “(ii) include recommendations concerning the amount of funds and
14 the number of trained personnel necessary to gather and use the metering
15 information to track and reduce energy use;

16 “(iii) establish 1 or more dates, not later than 1 year after the date of
17 issuance of the guidelines, on which the requirement specified in paragraph
18 (1) shall take effect; and

19 “(iv) establish exclusions from the requirement specified in
20 paragraph (1) based on the de minimus quantity of energy use of a Federal
21 building, industrial process, or structure.

“(f) USE OF ENERGY CONSUMPTION DATA IN FEDERAL BUILDINGS.—

“(1) IN GENERAL.— Beginning not later than January 1, 2003, each agency shall use, to the maximum extent practicable, for the purposes of efficient use of energy and reduction in the cost of electricity used in the Federal buildings of the agency, interval consumption data that measure on a real-time or daily basis consumption of electricity in the Federal buildings of the agency.

“(2) PLAN.— As soon as practicable after the date of enactment of this subsection, in a report submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing how the agency will implement the requirement of paragraph (1), including how the agency will designate personnel primarily responsible for achieving the requirement.”.

SEC. 913. FEDERAL BUILDING PERFORMANCE STANDARDS.

(a) REVISED STANDARDS.— Section 305(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)) is amended—

(1) in paragraph (2)(A), by striking “CABO Model Energy Code, 1992” and inserting “the 2000 International Energy Conservation Code”; and

(2) by adding at the end the following:

“(3) REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.—

1 “(A) IN GENERAL.— Not later than 1 year after the date of enactment of this
2 paragraph, the Secretary of Energy shall establish, by rule, revised Federal building energy
3 efficiency performance standards that require that, if cost-effective—

4 “(i) new commercial buildings and multifamily high rise residential
5 buildings be constructed so as to achieve the applicable Energy Star building
6 energy performance ratings or energy consumption levels at least 30 percent below
7 those of the most recent ASHRAE Standard 90.1, whichever results in the greater
8 increase in energy efficiency;

9 “(ii) new residential buildings (other than those described in clause (i)) be
10 constructed so as to achieve the applicable Energy Star building energy
11 performance ratings or achieve energy consumption levels at least 30 percent
12 below the requirements of the most recent version of the International Energy
13 Conservation Code, whichever results in the greater increase in energy efficiency;
14 and

15 “(iii) sustainable design principles are applied to the siting, design, and
16 construction of all new and replacement buildings.

17 “(B) ADDITIONAL REVISIONS.— Not later than 1 year after the date of
18 approval of amendments to ASHRAE Standard 90.1 or the 2000 International Energy
19 Conservation Code, the Secretary of Energy shall determine, based on the
20 cost-effectiveness of the requirements under the amendments, whether the revised
21 standards established under this paragraph should be updated to reflect the amendments.

“(C) STATEMENT ON COMPLIANCE OF NEW BUILDINGS.— In the budget request of the Federal agency for each fiscal year and each report submitted by the Federal agency under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)), the head of each Federal agency shall include—

“(i) a list of all new Federal buildings of the Federal agency; and

“(ii) a statement concerning whether the Federal buildings meet or exceed the revised standards established under this paragraph, including a monitoring and commissioning report that is in compliance with the measurement and verification protocols of the Department of Energy.

“(D) AUTHORIZATION OF APPROPRIATIONS.— There are authorized to be appropriated such sums as are necessary to carry out this paragraph and to implement the revised standards established under this paragraph.”.

(b) ENERGY LABELING PROGRAM.— Section 305(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)) is further amended by adding at the end the following:

“(e) ENERGY LABELING PROGRAM.— The Secretary of Energy, in cooperation with the Administrator of the Environmental Protection Agency, shall develop an energy labeling program for new Federal buildings that exceed the revised standards established under subsection (a)(3) by 15 percent or more.”.

SEC. 914. PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) REQUIREMENTS.— Part 3 of title V of the National Energy Conservation Policy Act is amended by adding at the end the following:

“SEC. 552. FEDERAL PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

“(a) DEFINITIONS.— In this section:

“(1) ENERGY STAR PRODUCT.— The term ‘Energy Star product’ means a product that is rated for energy efficiency under an Energy Star program.

“(2) ENERGY STAR PROGRAM.— The term ‘Energy Star program’ means the program established by section 324A of the Energy Policy and Conservation Act.

“(3) EXECUTIVE AGENCY.— The term ‘executive agency’ has the meaning given the term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

“(4) FEMP DESIGNATED PRODUCT.— The term ‘FEMP designated product’ means a product that is designated under the Federal Energy Management Program of the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

“(b) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—

“(1) REQUIREMENT.— To meet the requirements of an executive agency for an energy consuming product, the head of the executive agency shall, except as provided in paragraph (2), procure—

“(A) an Energy Star product; or

“(B) a FEMP designated product.

1 “(2) EXCEPTIONS.— The head of an executive agency is not required to procure
2 an Energy Star product or FEMP designated product under paragraph (1) if—

3 “(A) an Energy Star product or FEMP designated product is not cost
4 effective over the life cycle of the product; or

5 “(B) no Energy Star product or FEMP designated product is reasonably
6 available that meets the requirements of the executive agency.

7 “(3) PROCUREMENT PLANNING.— The head of an executive agency shall
8 incorporate into the specifications for all procurements involving energy consuming
9 products and systems, and into the factors for the evaluation of offers received for the
10 procurement, criteria for energy efficiency that are consistent with the criteria used for
11 rating Energy Star products and for rating FEMP designated products.

12 “(c) LISTING OF ENERGY EFFICIENT PRODUCTS IN FEDERAL
13 CATALOGS.— Energy Star and FEMP designated products shall be clearly identified and
14 prominently displayed in any inventory or listing of products by the General Services
15 Administration or the Defense Logistics Agency.

16 “(b) CONFORMING AMENDMENT.— The table of contents in section 1(b) of the
17 National Energy Conservation Policy Act (42 U.S.C. 8201 note) is amended by inserting after
18 the item relating to section 551 the following:

19 “Sec. 552. Federal Government procurement of energy efficient products.”

(c) REGULATIONS.— Not later than 180 days after the effective date specified in subsection (f), the Secretary of Energy shall issue guidelines to carry out section 552 of the National Energy Conservation Policy Act (as added by subsection (a)).

(d) DESIGNATION OF ENERGY STAR PRODUCTS.— The Administrator of the Environmental Protection Agency and the Secretary of Energy shall expedite the process of designating products as Energy Star products (as defined in section 552 of the National Energy Conservation Policy Act (as added by subsection (a))).

(e) DESIGNATION OF ELECTRIC MOTORS.— In the case of electric motors of 1 to 500 horsepower, agencies shall select only premium efficient motors that meet a standard designated by the Secretary. The Secretary shall designate such a standard within 120 days of the enactment of this paragraph, after considering the recommendations of associated electric motor manufacturers and energy efficiency groups.

(f) EFFECTIVE DATE.— Subsection (a) and the amendment made by that subsection take effect on the date that is 180 days after the date of enactment of this Act.

SEC. 915. REPEAL OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

SEC. 916. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) ENERGY SAVINGS.— Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

1 “(2) The term ‘energy savings’ means a reduction in the cost of energy or water, from a
2 base cost established through a methodology set forth in the contract, used in an existing federally
3 owned building or buildings or other federally owned facilities as a result of—

4 “(A) the lease or purchase of operating equipment, improvements, altered
5 operation and maintenance, or technical services;

6 “(B) the increased efficient use of existing energy sources by cogeneration or heat
7 recovery, excluding any cogeneration process for other than a federally owned building or
8 buildings or other federally owned facilities; or

9 “(C) the increased efficient use of existing water sources.”.

10 (b) ENERGY SAVINGS CONTRACT.— Section 804(3) of the National Energy
11 Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

12 “(3) The terms ‘energy savings contract’ and ‘energy savings performance contract’ mean
13 a contract which provides for the performance of services for the design, acquisition, installation,
14 testing, operation, and, where appropriate, maintenance and repair, of an identified energy or
15 water conservation measure or series of measures at one or more locations.”.

16 (c) ENERGY OR WATER CONSERVATION MEASURE.— Section 804(4) of the
17 National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

18 “(4) The term ‘energy or water conservation measure’ means—

19 “(A) an energy conservation measure, as defined in section 551(4) (42 U.S.C.
20 8259(4)); or

“(B) a water conservation measure that improves water efficiency, is life cycle cost effective, and involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not at a Federal hydroelectric facility.”.

SEC. 917. REVIEW OF ENERGY SAVINGS PERFORMANCE CONTRACT

PROGRAM.

Within 180 days after the date of the enactment of this Act, the Secretary of Energy shall complete a review of the Energy Savings Performance Contract program to identify statutory, regulatory, and administrative obstacles that prevent Federal agencies from fully utilizing the program. In addition, this review shall identify all areas for increasing program flexibility and effectiveness, including audit and measurement verification requirements, accounting for energy use in determining savings, contracting requirements, and energy efficiency services covered. The Secretary shall report these findings to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, and shall implement identified administrative and regulatory changes to increase program flexibility and effectiveness to the extent that such changes are consistent with statutory authority.

SEC. 918. FEDERAL ENERGY BANK.

Part 3 of title V of the National Energy Conservation Policy Act is amended by adding at the end the following:

“SEC. 553. FEDERAL ENERGY BANK.

1 “(a) DEFINITIONS.— In this section:

2 “(1) BANK.— The term ‘Bank’ means the Federal Energy Bank established by
3 subsection (b).

4 “(2) ENERGY OR WATER EFFICIENCY PROJECT.— The term ‘energy or
5 water efficiency project’ means a project that assists a Federal agency in meeting or
6 exceeding the energy or water efficiency requirements of—

7 “(A) this part;

8 “(B) title VIII;

9 “(C) subtitle F of title I of the Energy Policy Act of 1992 (42 U.S.C. 8262
10 et seq.); or

11 “(D) any applicable Executive order, including Executive Order No. 13123.

12 “(3) FEDERAL AGENCY.— The term ‘Federal agency’ means—

13 “(A) an Executive agency (as defined in section 105 of title 5, United States
14 Code);

15 “(B) the United States Postal Service;

16 “(C) Congress and any other entity in the legislative branch; and

17 “(D) a Federal court and any other entity in the judicial branch.

18 “(b) ESTABLISHMENT OF BANK.—

19 “(1) IN GENERAL— There is established in the Treasury of the United States a
20 fund to be known as the ‘Federal Energy Bank’, consisting of—

1 “(A) such amounts as are deposited in the Bank under paragraph (2);

2 “(B) such amounts as are repaid to the Bank under subsection (c)(2)(D);

3 and

4 “(C) any interest earned on investment of amounts in the Bank under
5 paragraph (3).

6 “(2) DEPOSITS IN BANK.—

7 “(A) IN GENERAL.— Subject to the availability of appropriations and to
8 subparagraph (B), the Secretary of the Treasury shall deposit in the Bank an
9 amount equal to \$250,000,000 in fiscal year 2003 and in each fiscal year thereafter.

10 “(B) MAXIMUM AMOUNT IN BANK.— Deposits under subparagraph
11 (A) shall cease beginning with the fiscal year following the fiscal year in which the
12 amounts in the Bank (including amounts on loan from the Bank) become equal to
13 or exceed \$1,000,000,000.

14 “(3) INVESTMENT OF AMOUNTS.— The Secretary of the Treasury shall invest
15 such portion of the Bank as is not, in the judgment of the Secretary, required to meet
16 current withdrawals. Investments may be made only in interest-bearing obligations of the
17 United States.

18 “(c) LOANS FROM THE BANK.—

19 “(1) IN GENERAL.— The Secretary of the Treasury shall transfer from the Bank to
20 the Secretary such amounts as are appropriated to carry out the loan program under
21 paragraph (2).

1 “(2) LOAN PROGRAM.—

2 “(A) ESTABLISHMENT.—

3 “(i) IN GENERAL.— In accordance with subsection (d), the
4 Secretary, in consultation with the Secretary of Defense, the Administrator
5 of General Services, and the Director of the Office of Management and
6 Budget, shall establish a program to make loans of amounts in the Bank to
7 any Federal agency that submits an application satisfactory to the Secretary
8 in order to pay the costs of a project described in subparagraph (C).

9 “(ii) COMMENCEMENT OF OPERATIONS.— The Secretary may
10 begin—

11 “(I) accepting applications for loans from the Bank in fiscal
12 year 2002; and

13 “(II) making loans from the Bank in fiscal year 2003.

14 “(B) ENERGY SAVINGS PERFORMANCE CONTRACTING
15 FUNDING.— To the extent practicable, an agency shall not submit a project for
16 which energy performance contracting funding is available and is acceptable to the
17 Federal agency under title VIII.

18 “(C) PURPOSES OF LOAN.—

19 “(i) IN GENERAL.— A loan from the Bank may be used to pay—

1 “(I) the costs of an energy or water efficiency project, or a
2 renewable or alternative energy project, for a new or existing
3 Federal building (including selection and design of the project);

4 “(II) the costs of an energy metering plan and metering
5 equipment installed pursuant to section 543(e) or for the purpose of
6 verification of the energy savings under an energy savings
7 performance contract under title VIII; or

8 “(III) at the time of contracting, the costs of cofunding of an
9 energy savings performance contract (including a utility energy
10 service agreement) in order to shorten the payback period of the
11 project that is the subject of the energy savings performance
12 contract.

13 “(ii) LIMITATION.— A Federal agency may use not more than 10
14 percent of the amount of a loan under subclause (I) or (II) of clause (i) to
15 pay the costs of administration and proposal development (including data
16 collection and energy surveys).

17 “(iii) RENEWABLE AND ALTERNATIVE ENERGY
18 PROJECTS.— Not more than 25 percent of the amount on loan from the
19 Bank at any time may be loaned for renewable energy and alternative
20 energy projects (as defined by the Secretary in accordance with applicable
21 law (including Executive Orders)).

1 “(D) REPAYMENTS.—

2 “(i) IN GENERAL.— Subject to clauses (ii) through (iv), a Federal
3 agency shall repay to the Bank the principal amount of a loan plus interest
4 at a rate determined by the President, in consultation with the Secretary and
5 the Secretary of the Treasury.

6 “(ii) WAIVER OR REDUCTION OF INTEREST.— The Secretary
7 may waive or reduce the rate of interest required to be paid under clause (i)
8 if the Secretary determines that payment of interest by a Federal agency at
9 the rate determined under that clause is not required to fund the operations
10 of the Bank.

11 “(iii) DETERMINATION OF INTEREST RATE.— The interest
12 rate determined under clause (i) shall be at a rate that is sufficient to ensure
13 that, beginning not later than October 1, 2007, interest payments will be
14 sufficient to fully fund the operations of the Bank.

15 “(iv) INSUFFICIENCY OF APPROPRIATIONS.—

16 “(I) REQUEST FOR APPROPRIATIONS.— As part of the
17 budget request of the Federal agency for each fiscal year, the head
18 of each Federal agency shall submit to the President a request for
19 such amounts as are necessary to make such repayments as are
20 expected to become due in the fiscal year under this subparagraph.

“(II) SUSPENSION OF REPAYMENT REQUIREMENT.—

If, for any fiscal year, sufficient appropriations are not made available to a Federal agency to make repayments under this subparagraph, the Bank shall suspend the requirement of repayment under this subparagraph until such appropriations are made available.

“(E) FEDERAL AGENCY ENERGY BUDGETS.— Until a loan is repaid, a Federal agency budget submitted by the President to Congress for a fiscal year shall not be reduced by the value of energy savings accrued as a result of any energy conservation measure implemented using amounts from the Bank.

“(F) NO RESCISSION OR REPROGRAMMING.— A Federal agency shall not rescind or reprogram loan amounts made available from the Bank except as permitted under guidelines issued under subparagraph (G).

“(G) GUIDELINES.— The Secretary shall issue guidelines for implementation of the loan program under this paragraph, including selection criteria, maximum loan amounts, and loan repayment terms.

“(d) SELECTION CRITERIA.—

“(1) IN GENERAL.— The Secretary shall establish criteria for the selection of projects to be awarded loans in accordance with paragraph (2).

“(2) SELECTION CRITERIA.—

1 “(A) IN GENERAL.— The Secretary may make loans from the Bank only
2 for a project that—

3 “(i) is technically feasible;

4 “(ii) is determined to be cost-effective using life cycle cost methods
5 established by the Secretary;

6 “(iii) includes a measurement and management component, based
7 on the measurement and verification protocols of the Department of
8 Energy, to—

9 “(I) commission energy savings for new and existing Federal
10 facilities;

11 “(II) monitor and improve energy efficiency management at
12 existing Federal facilities; and

13 “(III) verify the energy savings under an energy savings
14 performance contract under title VIII;

15 and

16 “(iv)(I) in the case of renewable energy or alternative energy
17 project, has a simple payback period of not more than 15 years; and

18 “(II) in the case of any other project, has a simple payback period of
19 not more than 10 years.

“(B) PRIORITY.— In selecting projects, the Secretary shall give priority to projects that—

“(i) are a component of a comprehensive energy management project for a Federal facility; and

“(ii) are designed to significantly reduce the energy use of the Federal facility.

“(e) REPORTS AND AUDITS.—

“(1) **REPORTS TO THE SECRETARY.**— Not later than 1 year after the completion of installation of a project that has a cost of more than \$1,000,000, and annually thereafter, a Federal agency shall submit to the Secretary a report that—

“(A) states whether the project meets or fails to meet the energy savings projections for the project; and

“(B) for each project that fails to meet the energy savings projections, states the reasons for the failure and describes proposed remedies.

“(2) AUDITS.— The Secretary may audit, or require a Federal agency that receives a loan from the Bank to audit, any project financed with amounts from the Bank to assess the performance of the project.

“(3) REPORTS TO CONGRESS.— At the end of each fiscal year, the Secretary shall submit to Congress a report on the operations of the Bank, including a statement of—

“(A) the total receipts by the Bank;

“(B) the total amount of loans from the Bank to each Federal agency; and

“(C) the estimated cost and energy savings resulting from projects funded

with loans from the Bank.

“(f) AUTHORIZATION OF APPROPRIATIONS.— There are authorized to be appropriated to such sums as are necessary to carry out this section.”

SEC. 919. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

(a) IN GENERAL.— Part 3 of title V of the National Energy Conservation Policy Act is amended by adding at the end:

“SEC. 554. ENERGY AND WATER SAVINGS MEASURES IN CONGRESSIONAL BUILDINGS.

“(a) IN GENERAL.— The Architect of the Capitol—

“(1) shall develop, update, and implement a cost-effective energy conservation and management plan (referred to in this section as the “plan”) for all facilities administered by the Congress (referred to in this section as ‘congressional buildings’) to meet the energy performance requirements for Federal buildings established under section 543(a)(1).

“(2) shall submit the plan to Congress, not later than 180 days after the date of enactment of this section.

“(b) PLAN REQUIREMENTS.— The plan shall include—

1 “(1) a description of the life-cycle cost analysis used to determine the
2 cost-effectiveness of proposed energy efficiency projects;

3 “(2) a schedule of energy surveys to ensure complete surveys of all congressional
4 buildings every five years to determine the cost and payback period of energy and water
5 conservation measures;

6 “(3) a strategy for installation of life cycle cost effective energy and water
7 conservation measures;

8 “(4) the results of a study of the costs and benefits of installation of submetering in
9 congressional buildings; and

10 “(5) information packages and ‘how-to’ guides for each Member and employing
11 authority of Congress that detail simple, cost-effective methods to save energy and
12 taxpayer dollars in the workplace.

13 “(c) CONTRACTING AUTHORITY.— The Architect —

14 “(1) may contract with nongovernmental entities and use private sector capital to
15 finance energy conservation projects and meet energy performance requirements; and

16 “(2) may use innovative contracting methods that will attract private sector funding
17 for the installation of energy efficient and renewable energy technology, such as energy
18 savings performance contracts described in title VIII.

19 “(d) CAPITOL VISITOR CENTER.— The Architect—

20 “(1) shall ensure that state-of-the-art energy efficiency and renewable energy
21 technologies are used in the construction and design of the Visitor Center; and

“(2) shall include in the Visitor Center an exhibit on the energy efficiency and renewable energy measures used in congressional buildings.

“(e) ANNUAL REPORT.— The Architect shall submit to Congress annually a report on congressional energy management and conservation programs required under this section that describes in detail—

“(1) energy expenditures and savings estimates for each facility;

“(2) energy management and conservation projects; and

“(3) future priorities to ensure compliance with this section.”.

(b) REPEAL.— Section 310 of the Legislative Branch Appropriations Act, 1999 (40 U.S.C. 166i), is repealed.

Subtitle C - Industrial Efficiency and Consumer Products

SEC. 921. VOLUNTARY COMMITMENTS TO REDUCE INDUSTRIAL ENERGY INTENSITY.

(a) VOLUNTARY AGREEMENTS.— The Secretary of Energy shall enter into voluntary agreements with one or more persons in industrial sectors that consume significant amounts of primary energy per unit of physical output to reduce the energy intensity of their production activities.

(b) GOAL.— Voluntary agreements under this section shall have a goal of reducing energy intensity by not less than 2.5 percent each year from 2002 through 2012.

(c) RECOGNITION.— The Secretary of Energy, in cooperation with the Administrator of the Environmental Protection Agency and other appropriate federal agencies, shall develop mechanisms to recognize and publicize the achievements of participants in voluntary agreements under this section.

(d) DEFINITION.— In this section, the term “energy intensity” means the primary energy consumed per unit of physical output in an industrial process.

(e) TECHNICAL ASSISTANCE.— An entity that enters into an agreement under this section and continues to make a good faith effort to achieve the energy efficiency goals specified in the agreement shall be eligible to receive from the Secretary a grant or technical assistance as appropriate to assist in the achievement of those goals.

(f) REPORT.— Not later than June 30, 2008 and June 30, 2012, the Secretary shall submit to Congress a report that evaluates the success of the voluntary agreements, with independent verification of a sample of the energy savings estimates provided by participating firms.

SEC. 922. AUTHORITY TO SET STANDARDS FOR COMMERCIAL PRODUCTS.

Part B of title III of the Energy Policy and Conservation Act (42 U.S.C. 6291 et seq.) is amended as follows:

(1) In the heading for such part, by inserting “AND COMMERCIAL” after “CONSUMER”.

(2) In section 321(2), by inserting “or commercial” after “consumer”.

(3) In paragraphs (4), (5), and (15) of section 321, by striking “consumer” each place it appears and inserting “covered”.

(4) In section 322(a), by inserting “or commercial” after “consumer” the first place it appears in the material preceding paragraph (1).

(5) In section 322(b), by inserting “or commercial” after “consumer” each place it appears.

(6) In section 322 (b)(1)(B) and (b)(2)(A), by inserting “or per-business in the case of a commercial product” after “per-household” each place it appears.

(7) In section 322 (b)(2)(A), by inserting “or businesses in the case of commercial products” after “households” each place it appears.

(8) In section 322 (B)(2)(C)–

(A) by striking “term” and inserting “terms”; and

(B) by inserting “and ‘business’” after “‘household’”.

(9) In section 323 (b)(1) (B) by inserting “or commercial” after “consumer”.

SEC. 923. ADDITIONAL DEFINITIONS.

Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by adding at the end the following:

“(32) The term ‘battery charger’ means a device that charges batteries for consumer products.

“(33) The term ‘commercial refrigerator, freezer and refrigerator-freezer’ means a refrigerator, freezer or refrigerator-freezer that–

“(A) is not a consumer product regulated under this Act; and

1 “(B) incorporates most components involved in the vapor-compression
2 cycle and the refrigerated compartment in a single package.

3 “(34) The term ‘external power supply’ means an external power supply circuit
4 that is used to convert household electric current into either DC current or lower-voltage
5 AC current to operate a consumer product.

6 “(35) The term ‘illuminated exit sign’ means a sign that—

7 “(A) is designed to be permanently fixed in place to identify an exit; and

8 “(B) consists of—

9 “(i) an electrically powered integral light source that illuminates the
10 legend ‘EXIT’ and any directional indicators; and

11 “(ii) provides contrast between the legend, any directional
12 indicators, and the background.

13 “(36)(A) Except as provided in subsection (B), the term ‘low-voltage dry-type
14 transformer’ means a transformer that—

15 “(i) has an input voltage of 600 volts or less;

16 “(ii) is air-cooled;

17 “(iii) does not use oil as a coolant; and

18 “(iv) is rated for operation at a frequency of 60 Hertz.

19 “(B)The term ‘low-voltage dry-type transformer’ does not include—

1 “(i) transformers with multiple voltage taps, with the highest voltage tap
2 equaling at least 20 percent more than the lowest voltage tap;

3 “(ii) transformers that are designed to be used in a special purpose
4 application, such as transformers commonly known as drive transformers, rectifier
5 transformers, autotransformers, Uninterruptible Power System transformers,
6 impedance transformers, harmonic transformers, regulating transformers, sealed
7 and nonventilating transformers, machine tool transformers, welding transformers,
8 grounding transformers, or testing transformers; or

9 “(iii) any transformer not listed in clause (ii) that is excluded by the
10 Secretary by rule because the transformer is designed for a special application and
11 the application of standards to the transformer would not result in significant
12 energy savings.

13 “(37) The term “standby mode” means the lowest amount of electric power used by
14 a household appliance when not performing its active functions, as defined on an
15 individual product basis by the Secretary.

16 “(38) The term ‘torchiere’ means a portable electric lamp with a reflector bowl that
17 directs light upward so as to give indirect illumination.

18 “(39) The term ‘transformer’ means a device consisting of 2 or more coils of
19 insulated wire that transfers alternating current by electromagnetic induction from one coil
20 to another to change the original voltage or current value.

“(40) The term ‘unit heater’ means a self-contained fan-type heater designed to be installed within the heated space, except that such term does not include a warm air furnace.

SEC. 924. ADDITIONAL TEST PROCEDURES.

(a) EXIT SIGNS.— Section 323(b) of the Energy Policy and Conservation Act (42 U.S.C. 6293) is amended by adding at the end the following:

“(9) Test procedures for illuminated exit signs shall be based on the test method used under the Energy Star program of the Environmental Protection Agency for illuminated exit signs, as in effect on the date of enactment of this paragraph.

“(10) Test procedures for low voltage dry-type distribution transformers shall be based on the ‘Standard Test Method for Measuring the Energy Consumption of Distribution Transformers’ prescribed by the National Electrical Manufacturers Association (NEMA TP 2–1998). The Secretary may review and revise this test procedure based on future revisions to such standard test method.

(b) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.— Section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) is further amended by adding at the end the following:

“(f) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.— The Secretary shall within 24 months after the date of enactment of this subsection prescribe testing requirements for suspended ceiling fans, refrigerated bottled or canned beverage vending machines, commercial unit heaters, and commercial refrigerators, freezers and refrigerator-

1 freezers. Such testing requirements shall be based on existing test procedures used in industry to
2 the extent practical and reasonable. In the case of suspended ceiling fans, such test procedures
3 shall include efficiency at both maximum output and at an output no more than 50 percent of the
4 maximum output.”.

5 **SEC. 925. ENERGY LABELING.**

6 (a) RULEMAKING ON EFFECTIVENESS OF CONSUMER PRODUCT LABELING.—

7 Paragraph (2) of section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(2))
8 is amended by adding at the end the following:

9 “(F) Not later than three months after the date of enactment of this subparagraph,
10 the Commission shall initiate a rulemaking to consider the effectiveness of the current
11 consumer products labeling program in assisting consumers in making purchasing
12 decisions and improving energy efficiency and to consider changes to the labeling rules
13 that would improve the effectiveness of consumer product labels. Such rulemaking shall
14 be completed within 15 months of the date of enactment of this subparagraph.”.

15 (b) RULEMAKING ON LABELING FOR ADDITIONAL PRODUCTS.— Section 324(a)
16 of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is further amended by adding at
17 the end the following:

18 “(5) The Secretary shall within 6 months after the date on which energy conservation
19 standards are prescribed by the Secretary for covered products referred to in subsections (u) and
20 (v) of section 325, and within 18 months of enactment of this paragraph for products referred to in
21 subsections (w) through (y) of section 325, prescribe, by rule, labeling requirements for such

1 products. Labeling requirements adopted under this paragraph shall take effect on the same date as
2 the standards set pursuant to sections 325(v) through (y).

3 **SEC. 926. ENERGY STAR PROGRAM.**

4 The Energy Policy and Conservation Act (42 U.S.C. 6201 and following) is amended by
5 inserting after section 324 the following:

6 **“ENERGY STAR PROGRAM.**

7 **“SEC. 324A. (a) IN GENERAL.—** There is established at the Department of Energy and
8 the Environmental Protection Agency a program to identify and promote energy-efficient products
9 and buildings in order to reduce energy consumption, improve energy security, and reduce
10 pollution through labeling of products and buildings that meet the highest energy efficiency
11 standards. Responsibilities under the program shall be divided between the Department of Energy
12 and the Environmental Protection Agency consistent with the terms of agreements between the
13 two agencies. The Administrator and the Secretary shall—

14 **“(1) promote Energy Star compliant technologies as the preferred technologies in**
15 **the marketplace for achieving energy efficiency and to reduce pollution;**

16 **“(2) work to enhance public awareness of the Energy Star label;**

17 **“(3) preserve the integrity of the Energy Star label; and**

18 **“(4) solicit the comments of interested parties in establishing a new Energy Star**
19 **product category or in revising a product category, and upon adoption of a new or revised**
20 **product category provide an explanation of the decision that responds to significant public**
21 **comments.”.**

1 **SEC. 927. ENERGY CONSERVATION STANDARDS FOR CENTRAL AIR**

2 **CONDITIONERS AND HEAT PUMPS.**

3 Section 325(d) of the Energy Policy and Conservation Act (42 U.S.C. 6295(d)) is amended
4 to read as follows:

5 “(1) Except as provided in paragraph (3), the seasonal energy efficiency ratio of central air
6 conditioners and central air conditioning heat pumps manufactured on or after January 23, 2006
7 shall be no less than 13.0.

8 “(2) Except as provided in paragraph (4), the heating seasonal performance factor of
9 central air conditioning heat pumps manufactured on or after January 23, 2006 shall be no less
10 than 7.7.

11 “(3) The seasonal energy efficiency ratio of central air conditioners or central air
12 conditioning heat pumps manufactured on or after January 23, 2006 shall be no less than 12.0 for
13 products that—

14 “(A) have a rated cooling capacity equal to or less than 30,000 Btu per hour;

15 “(B) have an outdoor or indoor unit having at least two overall exterior dimensions
16 or an overall displacement that—

17 “(i) is substantially smaller than those of other units that are currently
18 installed in site-built single family homes, and of a similar cooling or heating
19 capacity, and

“(ii) if increased would result in a significant increase in the cost of installation or would result in a significant loss in the utility of the product to the consumer; and

“(C) were available for purchase in the United States as of December 1, 2000.

“(4) The heating seasonal performance factor of central air conditioning heat pumps manufactured on or after January 25, 2006 shall not be less 7.4 for products that meet the criteria in paragraph (3).

“(5) The Secretary may postpone the requirements of paragraphs (3) and (4) for specific product types until a date no later than January 23, 2010, if he determines that compliance is either--

“(A) not technologically feasible, or

“(B) not economically justifiable.

“(6) The Secretary shall publish a final rule not later than January 1, 2006 to determine whether the standards in effect for central air conditioners and central air conditioning heat pumps should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 2011.”.

**SEC. 928. ENERGY CONSERVATION STANDARDS FOR ADDITIONAL CONSUMER
AND COMMERCIAL PRODUCTS.**

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended by adding at the end the following:

1 “(u) STANDBY MODE ELECTRIC ENERGY CONSUMPTION.—

2 “(1) INITIAL RULEMAKING.—

3 “(A) The Secretary shall, within 18 months after the date of enactment of this
4 subsection, prescribe by notice and comment, definitions of standby mode and test
5 procedures for the standby mode power use of battery chargers and external power
6 supplies. In establishing these test procedures, the Secretary shall consider, among other
7 factors, existing test procedures used for measuring energy consumption in standby mode
8 and assess the current and projected future market for battery chargers and external power
9 supplies. This assessment shall include estimates of the significance of potential energy
10 savings from technical improvements to these products and suggested product classes for
11 standards. Prior to the end of this time period, the Secretary shall hold a scoping
12 workshop to discuss and receive comments on plans for developing energy conservation
13 standards for standby mode energy use for these products.

14 “(B) The Secretary shall, within 3 years after the date of enactment of this
15 subsection, issue a final rule that determines whether energy conservation standards shall
16 be promulgated for battery chargers and external power supplies or classes thereof. For
17 each product class, any such standards shall be set at the lowest level of standby energy
18 use that—

19 (i) meets the criteria of subsections (o), (p), (q), (r), (s) and (t); and

20 (ii) will result in significant overall annual energy savings, considering both
21 standby mode and other operating modes.

1 “(2) DESIGNATION OF ADDITIONAL COVERED PRODUCTS.—

2 “(A) Not later than 180 days after the date of enactment of this subsection, the
3 Secretary shall publish for public comment and public hearing a notice to determine
4 whether any noncovered products should be designated as covered products for the
5 purpose of instituting a rulemaking under this section to determine whether an energy
6 conservation standard restricting standby mode energy consumption, should be
7 promulgated; providing that any restriction on standby mode energy consumption shall be
8 limited to major sources of such consumption.

9 “(B) In making the determinations pursuant to subparagraph (A) of whether to
10 designate new covered products and institute rulemakings, the Secretary shall, among
11 other relevant factors and in addition to the criteria in section 322(b), consider—

12 “(i) standby mode power consumption compared to overall product energy
13 consumption; and

14 “(ii) the priority and energy savings potential of standards which may be
15 promulgated under this subsection compared to other required rulemakings under
16 this section and the available resources of the Department to conduct such
17 rulemakings.

18 “(C) Not later than one year after the date of enactment of this subsection, the
19 Secretary shall issue a determination of any new covered products for which he intends to
20 institute rulemakings on standby mode pursuant to this section and he shall state the dates
21 by which he intends to initiate those rulemakings.

1 “(3) REVIEW OF STANDBY ENERGY USE IN COVERED PRODUCTS.— In

2 determining pursuant to section 323 whether test procedures and energy conservation standards
3 pursuant to section 325 should be revised, the Secretary shall consider for covered products which
4 are major sources of standby mode energy consumption whether to incorporate standby mode into
5 such test procedures and energy conservation standards, taking into account, among other relevant
6 factors, the criteria for non-covered products in subparagraph (B) of this subsection.

7 “(4) RULEMAKING FOR STANDBY MODE.—

8 “(A) Any rulemaking instituted under this subsection or for covered products under
9 this section which restricts standby mode power consumption shall be subject to the
10 criteria and procedures for issuing energy conservation standards set forth in section 325
11 and the criteria set forth in paragraph 2(B) of this subsection.

12 “(B) No standard can be proposed for new covered products or covered products in
13 a standby mode unless the Secretary has promulgated applicable test procedures for each
14 product pursuant to section 323.

15 “(C) The provisions of section 327 shall apply to new covered products which are
16 subject to the rulemakings for standby mode after a final rule has been issued.

17 (5) EFFECTIVE DATE.— Any standard promulgated under this subsection shall be
18 applicable to products manufactured or imported three years after the date of promulgation.

19 (6) VOLUNTARY PROGRAMS TO REDUCE STANDBY MODE ENERGY USE.— The

20 Secretary and the Administrator shall collaborate and develop programs, including programs

pursuant to section 324A and other voluntary industry agreements or codes of conduct, which are designed to reduce standby mode energy use.

“(v) SUSPENDED CEILING FANS, VENDING MACHINES, UNIT HEATERS, AND COMMERCIAL REFRIGERATORS, FREEZERS AND REFRIGERATOR-FREEZERS.—

The Secretary shall within 24 months after the date on which testing requirements are prescribed by the Secretary pursuant to section 323(f), prescribe, by rule, energy conservation standards for suspended ceiling fans, refrigerated bottled or canned beverage vending machines, unit heaters, and commercial refrigerators, freezers and refrigerator-freezers. In establishing standards under this subsection, the Secretary shall use the criteria and procedures contained in subsections (l) and (m). Any standard prescribed under this subsection shall apply to products manufactured 3 years after the date of publication of a final rule establishing such standard.

“(w) ILLUMINATED EXIT SIGNS.— Illuminated exit signs manufactured on or after January 1, 2005 shall meet the Energy Star Program performance requirements for illuminated exit signs prescribed by the Environmental Protection Agency as in effect on the date of enactment of this subsection.

“(x) TORCHIERES.— Torchieres manufactured on or after January 1, 2005—

“(1) shall consume not more than 190 watts of power; and

“(2) shall not be capable of operating with lamps that total more than 190 watts.

“(y) LOW VOLTAGE DRY-TYPE TRANSFORMERS.—

“The efficiency of low voltage dry-type transformers manufactured on or after January 1, 2005 shall be the Class I Efficiency Levels for low voltage dry-type transformers specified in

Table 4-2 of the ‘Guide for Determining Energy Efficiency for Distribution Transformers’ published by the National Electrical Manufacturers Association (NEMA TP-1-1996).”.

**SEC. 929. CONSUMER EDUCATION ON ENERGY EFFICIENCY BENEFITS OF AIR
CONDITIONING, HEATING, AND VENTILATION MAINTENANCE.**

Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307) is amended by adding at the end the following:

“(c) HVAC MAINTENANCE.— (1) For the purpose of ensuring that installed air conditioning and heating systems operate at their maximum rated efficiency levels, the Secretary shall, within 180 days of the date of enactment of this subsection, carry out a program to educate homeowners and small business owners concerning the energy savings resulting from properly conducted maintenance of air conditioning, heating, and ventilating systems.

“(2) The Secretary may carry out the program in cooperation with industry trade associations, industry members, and energy efficiency organizations.”.

Subtitle D – Housing Efficiency

**SEC. 931. CAPACITY BUILDING FOR ENERGY EFFICIENT, AFFORDABLE
HOUSING.**

Section 4(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following:

“, including capabilities regarding the provision of energy efficient, affordable housing and residential energy conservation measures”; and

(2) in paragraph (2), by inserting before the semicolon the following:

“, including such activities relating to the provision of energy efficient, affordable housing and residential energy conservation measures that benefit low-income families”.

**SEC. 932. INCREASE OF CDBG PUBLIC SERVICES CAP FOR ENERGY
CONSERVATION AND EFFICIENCY ACTIVITIES.**

Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended—

(1) by inserting “or efficiency” after “energy conservation”;

(2) by striking “, and except that” and inserting “; except that”; and

(3) by inserting before the period at the end the following: “; and except that each percentage limitation under this paragraph on the amount of assistance provided under this title that may be used for the provision of public services is hereby increased by 10 percent, but such percentage increase may be used only for the provision of public services concerning energy conservation or efficiency”.

**SEC. 933. FHA MORTGAGE INSURANCE INCENTIVES FOR ENERGY EFFICIENT
HOUSING.**

(a) SINGLE FAMILY HOUSING MORTGAGE INSURANCE.— Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended, in the first undesignated paragraph beginning after subparagraph (B)(iii) (relating to solar energy systems)—

(1) by inserting “or paragraph (10)”;

(2) by striking “20 percent” and inserting “30 percent”.

(b) MULTIFAMILY HOUSING MORTGAGE INSURANCE.— Section 207(c) of the National Housing Act (12 U.S.C. 1713(c)) is amended, in the second undesignated paragraph beginning after paragraph (3) (relating to solar energy systems and residential energy conservation measures), by striking “20 percent” and inserting “30 percent”.

(c) COOPERATIVE HOUSING MORTGAGE INSURANCE.— Section 213(p) of the National Housing Act (12 U.S.C. 1715e(p)) is amended by striking “20 per centum” and inserting “30 percent”.

(d) REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING MORTGAGE INSURANCE.— Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended by striking “20 per centum” and inserting “30 percent”.

(e) LOW-INCOME MULTIFAMILY HOUSING MORTGAGE INSURANCE.— Section 221(k) of the National Housing Act (12 U.S.C. 1715l(k)) is amended by striking “20 per centum” and inserting “30 percent”.

(f) ELDERLY HOUSING MORTGAGE INSURANCE.— The proviso at the end of section 213(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended by striking “20 per centum” and inserting “30 percent”.

(g) CONDOMINIUM HOUSING MORTGAGE INSURANCE.— Section 234(j) of the National Housing Act (12 U.S.C. 1715y(j)) is amended by striking “20 per centum” and inserting “30 percent”.

SEC. 934. PUBLIC HOUSING CAPITAL FUND.

Section 9(d)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)(1)) is amended—

(1) in subparagraph (I), by striking “and” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new subparagraph:

“(L) improvement of energy and water-use efficiency by installing fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereto, applicable at the time of installation, and by increasing energy efficiency and water conservation by such other means as the Secretary determines are appropriate.”.

SEC. 935. GRANTS FOR ENERGY-CONSERVING IMPROVEMENTS FOR ASSISTED HOUSING.

Section 251(b)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8231(1)) is amended—

(1) by striking “financed with loans” and inserting “assisted”;

(2) by inserting after “1959,” the following: “which are eligible multifamily housing projects (as such term is defined in section 512 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) and are subject to a mortgage restructuring and rental assistance sufficiency plans under such Act,”; and

(3) by inserting after the period at the end of the first sentence the following new sentence: "Such improvements may also include the installation of energy and water conserving fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereto, applicable at the time of installation."

SEC. 936. NORTH AMERICAN DEVELOPMENT BANK.

Part 2 of subtitle D of title V of the North American Free Trade Agreement Implementation Act (22 U.S.C. 290m-290m-3) is amended by adding at the end the following:

"SEC. 545. SUPPORT FOR CERTAIN ENERGY POLICIES.

"Consistent with the focus of the Bank's Charter on environmental infrastructure projects, the Board members representing the United States should use their voice and vote to encourage the Bank to finance projects related to clean and efficient energy, including energy conservation, that prevent, control, or reduce environmental pollutants or contaminants."

DIVISION D – INTEGRATION OF ENERGY POLICY

AND CLIMATE CHANGE POLICY

TITLE X – CLIMATE CHANGE POLICY

FORMULATION

Subtitle A – Global Warming